



Division of Energy

MISSOURI ENERGY BULLETIN

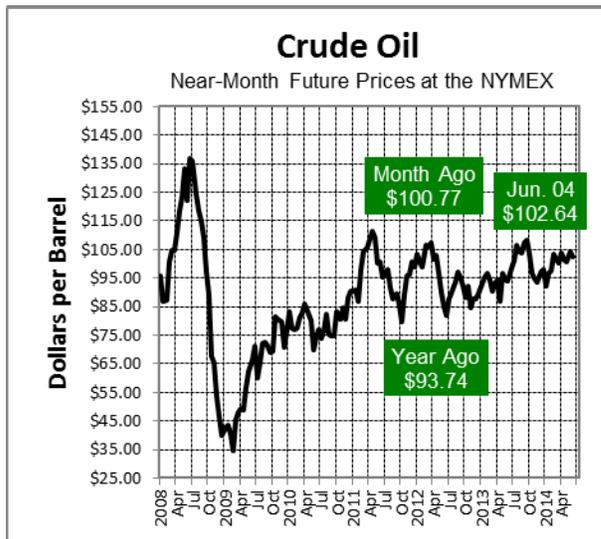
June 6, 2014

(Data is for the week ended May 30, 2014, unless stated otherwise.)

Crude Oil

U.S. crude oil prices increased \$1.87, or 2 percent, to \$102.64 per barrel in the past month, and stand 9 percent higher compared to this time last year.

Crude Oil - Near Month Future Prices (dollars per barrel)					
	06-04-14	05-07-14	change	06-05-13	change
NYMEX	\$102.64	\$100.77	up 2%	\$93.74	up 9%



- At the New York Mercantile Exchange (NYMEX), crude oil futures for July 2014 delivery ended \$0.02 lower on the June 4 trade day to settle at \$102.64 per barrel, after the weekly Energy Information Administration (EIA) report showed that domestic and international crude oil consumption fell.
- According to the EIA, crude supplies at Cushing, Oklahoma, the delivery point for WTI futures, fell for the 17th time in 18 weeks in the week ended May 30th. Cushing inventories dropped 321,000 barrels to a 5-year low of 21.4 million barrels (MMB).
- Compared to this time last year, the U.S. crude oil futures settlement price of \$102.64 is \$8.90, or 9 percent, higher.
- Total petroleum products supplied to market, a measurement of consumption, over the last four-week period averaged 19.1 MMB/D, up by 2.7 percent compared to the same period last year.
- According to the June 4 weekly EIA fuels report, U.S. oil inventories decreased 3.4 MMB at 389.5 MMB. U.S. crude supplies are now 1.8 MMB lower than at this time last year.

- Crude imports decreased from the prior week at 7.1 MMB/D. Imports at this time last year averaged 7.3 MMB/D. They have averaged 7.4 MMB/D in the first 22 weeks of 2014, down from 7.75 MMB/D a year earlier. Domestic crude production was down slightly at about 8.4 MMB/D on the week. Last year at this time, production stood at 7.3 MMB/D.
- U.S. refinery crude runs were higher from the prior week with refiners processing about 16.1 MMB/D of crude. U.S. refinery capacity use was higher on the week at 90.8 percent. Last year at this time, capacity use stood at 88.4 percent.
- Gasoline output was lower on the week at 10.2 MMB/D, slightly over 1.0 MMB/D higher compared to the production level at this time last year. Distillate output increased by over 0.2 MMB/D from the prior week at 5.2 MMB/D. Last year at this time, production stood at just under 5.0 MMB/D.

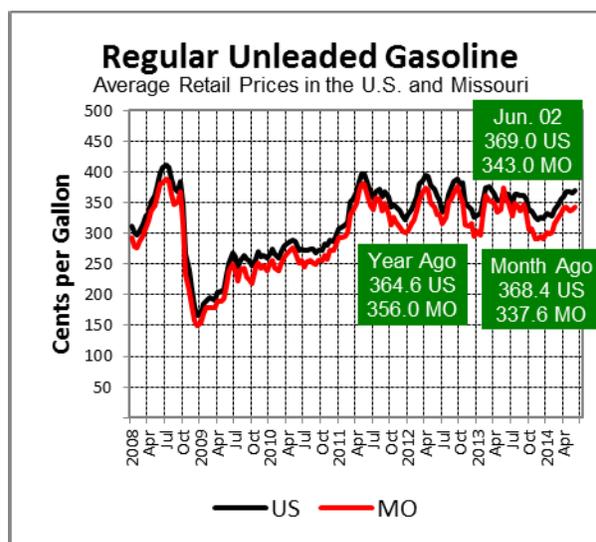
Transportation Fuels

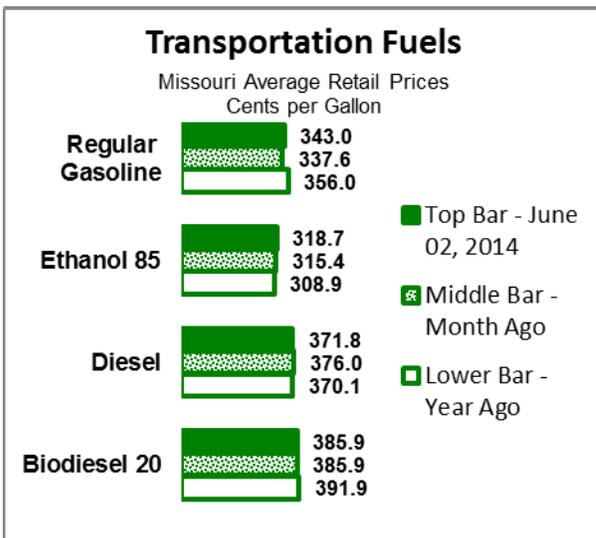
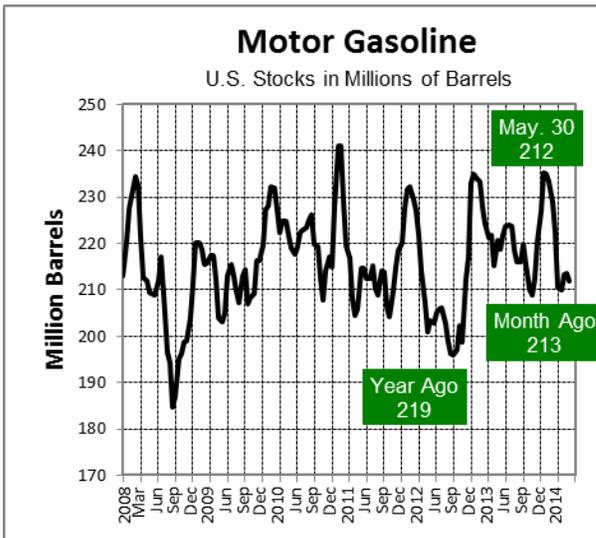
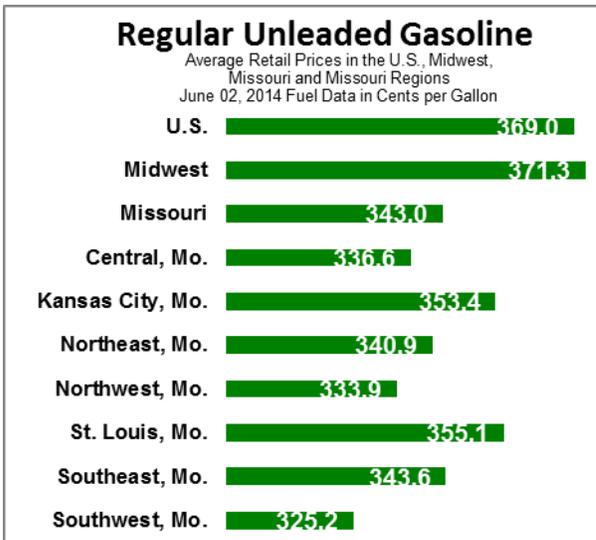
On June 2, Missouri's statewide average retail price for gasoline was \$3.43 per gallon, up 5.4 cents in the past month and down 13.0 cents in the past year.

Regular Unleaded Gasoline - Retail Prices (cents per gallon)					
	06-02-14	05-05-14	change	06-03-13	change
US	369.0	368.4	up 0%	364.6	up 1%
Missouri	343.0	337.6	up 2%	356.0	down 4%

Diesel Fuel - Retail Prices (cents per gallon)					
	06-02-14	05-05-14	change	06-03-13	change
US	391.8	368.4	up 6%	364.6	up 7%
Missouri	371.8	376.0	down 1%	370.1	up 0%

- On June 2, Missouri's average retail price for gasoline was about \$3.43 per gallon, up 5.4 cents in the past month.
- The average price for diesel fuel was down 4.2 cents per gallon, or 1 percent, in the past month.
- Missouri's average retail gasoline price is 13.0 cents, or 4 percent, lower, while the average retail diesel fuel price is 1.7 cents, or less than 1 percent, higher for the comparable period in June 2013.
- The U.S. average price for regular gasoline is 0.6 cents, or less than 1 percent, higher per gallon compared to last month at about \$3.69 per gallon.
- The U.S. average was up 4.4 cents compared to this time last year. In the past week, the U.S. average increased by 1.6 cents per gallon.
- Gasoline imports increased from the prior week at 0.8 MMB/D. Imports were nearly 0.5 MMB/D last year at this time.





- Implied demand for gasoline was down last week at nearly 9.1 MMB/D and up nearly 300,000 barrels per day compared to 8.8 MMB/D at this time last year.
- In the past four weeks, U.S. gasoline demand has averaged about 9.2 MMB/D compared with 8.7 MMB/D for the same four-week period last year.
- U.S. gasoline supplies increased slightly at 211.8 MMB on the week. U.S. gasoline inventories are down 7.0 MMB compared to this time last year and trend at the middle of the five-year average for this time of year.
- Distillate stocks increased 2.0 MMB at 118.1 MMB and stand 5.2 MMB lower compared to the same period last year.
- Distillate demand was down at 4.2 MMB/D on the week. Demand stood at 3.8 MMB/D at this time last year.
- On a four-week average, distillate demand was unchanged at 4.1 MMB/D. Demand was 3.8 MMB/D last year at this time.
- On June 2, Missouri's average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was about \$3.19 per gallon, 24.3 cents or 7.1 percent lower than the average price for conventional motor gasoline.
- On June 2, Missouri's average retail price for B20, diesel fuel containing 20 percent biofuel, was about \$3.86 per gallon, 14.1 cents or 3.7 percent higher than the average retail price for conventional diesel fuel.
- According to the May 6, 2014, *Short Term Energy Outlook*, EIA's forecast for the regular gasoline retail price averages, which was \$3.63 per gallon in 2012 and \$3.51 per gallon in 2013, is projected to average \$3.48 per gallon in 2014.

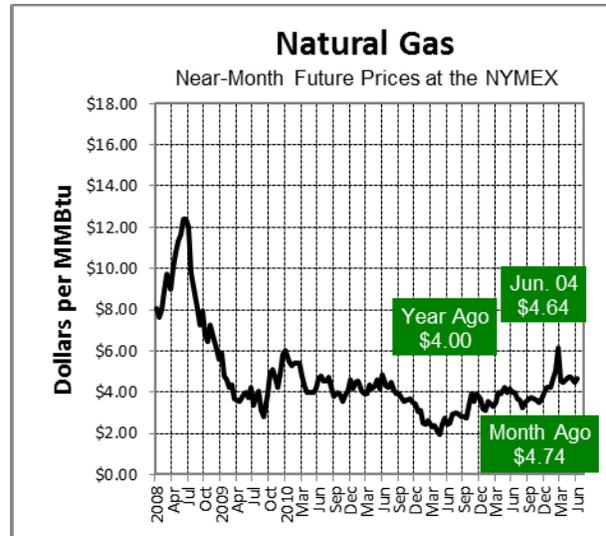
Natural Gas

Approximately 54 percent (1,260,322) of Missouri households use natural gas to heat their homes. Natural gas is also used to produce goods and electricity. (Data updated from the most recent U.S. Census report.)

On June 4, natural gas futures at the NYMEX closed at \$4.64 per million British thermal units (MMBtu), up 0.64 cents or 16 percent compared to last year at this time.

Natural Gas - Near Month Future Prices (dollars per MMBtu)					
	<u>06-04-14</u>	<u>05-07-14</u>	<u>change</u>	<u>06-05-13</u>	<u>change</u>
NYMEX	\$4.64	\$4.74	down 2%	\$4.00	up 16%

- At the NYMEX, natural gas futures for July 2014 delivery ended 1.1 cents higher on the June 4 trade day to close at \$4.64 per MMBtu. In the past year, natural gas values have increased by \$0.64, or 16 percent.
- For the reporting week, May 28 to June 4, the price of the July 2014 contract increased by 2.0 cents, from \$4.62 to \$4.64 per MMBtu.
- According to the EIA, total U.S. natural gas consumption declined for the fifth week in a row by 0.4 billion cubic feet/day (Bcf/d), or 0.7 percent, to 56.7 Bcf/d despite increasing power burn. This was the second consecutive report week, and fourth out of the last five, in which power burn increased, but total consumption decreased.
- Working gas in storage totaled 1,499 Bcf, 33.0 percent below the five-year average inventory level for the week, according to EIA's *Weekly Natural Gas Storage Report*. U.S. natural gas supplies are 737 Bcf, or 37.4 percent, lower than last year at this time.



Propane

Approximately 10 percent (244,808) of Missouri households use propane to heat their homes. (Data updated from the most recent U.S. Census report.) Propane is also used to support commercial operations, produce goods, dry grain harvests and fuel vehicles.

(Note: Beginning April 2014, Missouri residential retail propane prices will be reported only for the first full week of each month through September 2014.)

On June 2, the average Missouri retail price for residential propane was \$1.86 per gallon, down about 11.6 cents in the past month.

Propane - Retail Prices (cents per gallon)					
	<u>06-02-14</u>	<u>05-05-14</u>	<u>change</u>	<u>06-03-13</u>	<u>change</u>
Missouri	186.4	198.0	down 6%	162.8	up 14%

- According to the Division of Energy's most recent statewide propane price survey conducted June 2, the average Missouri retail residential propane price was \$1.86 per gallon, down about 11.6 cents in the past month and up 23.6 cents, or 14 percent, compared to last year at this time.
- According to the survey, the highest Missouri retail residential price for propane was nearly \$2.46 per gallon. The lowest retail price was about \$1.61 per gallon.
- U.S. propane stocks increased by 3.7 MMB last week to 45.8 MMB as of May 30, 2014, 1.3 MMB, or 2.7 percent, lower than a year ago. Midwest propane inventories increased by 1.3 MMB on the week. At 16.1 MMB, Midwest inventories are 0.7 MMB, or 4.5 percent, higher than the 15.4 MMB reported at this time last year.
- Implied demand for propane decreased at 0.7 MMB/D on the week. Propane demand is 215,000 B/D lower compared to the demand level at this time last year.

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The *Missouri Energy Bulletin* is distributed twice a month by the Missouri Department of Economic Development's Division of Energy. The Division of Energy collects transportation and propane heating fuel prices from several retail providers located throughout the state. To preserve confidentiality, price data are averaged and reported by region. The bulletin is a public resource made available to state government decision-makers, other interested individuals upon request and online at the division's Web address. The department thanks each of the following in helping to provide accurate, timely data on fuel supplies and prices: the U.S. Department of Energy's Energy Information Administration; the National Association of State Energy Officials; the St. Louis AAA Auto Club; and Missouri's energy retailers. For more information, contact: MO Dept. of Economic Development, Division of Energy, P.O. Box 1766, Jefferson City, MO 65102-1766; Phone: 573-751-2254; Fax: 573-751-6860; Email: energy@ded.mo.gov; Web Address: <http://ded.mo.gov/division-of-energy/transportation/missouri-energy-bulletins>.